

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the
Southern District of TexasUnited States Courts
Southern District of Texas
FILED

August 18, 2018

David J. Bradley, Clerk of Court

United States of America

v.

VALDEZ, Michael Anthony YOB: 1976 POB: U.S.
TREJO, Alfonso YOB: 1956 POB: U.S.

Case No.

M-18-1705-M

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of August 17, 2018 in the county of Hidalgo in the
Southern District of Texas, the defendant(s) violated:

Code Section

21 USC Section 841
21 USC Section 846

Offense Description

Possession with intent to distribute controlled substances
Conspiracy to possess with the intent to distribute controlled substances

This criminal complaint is based on these facts:

(See Attachment A)

I declare under penalty of perjury that the statements in this complaint are true and correct.
Executed on August 18, 2018.☒ Continued on the attached sheet.
Submitted by reliable electronic means, sworn
to and attested to telephonically per
Fed. R. Cr. P. 4.1, and probable cause
found on:

Approved by: AUSA Jesse Salazar

Sworn to before me and signed in my presence.

Date: 08/18/2018City and state: McAllen, Texas

/s/ Ivanna D. Cali

Complainant's signature

Ivanna D. Cali, DEA Special Agent

Printed name and title

Judge's signature

J. Scott Hacker, U.S. Magistrate Judge

Printed name and title

ATTACHMENT "A"

The information contained in this affidavit is information based on the personal knowledge of the Affiant and other law enforcement officials assigned to this investigation.

On or about May 14, 2018, the DEA McAllen District Office (DO) initiated an investigation into Michael Anthony VALDEZ (hereinafter referred to as "VALDEZ"), a mid-level cocaine source of supply, as well as a local distributor of cocaine. Specifically, the investigation has revealed that VALDEZ is the leader of the VALDEZ DTO, based in the Edinburg, Texas area, and that he directs other members of the VALDEZ DTO to distribute different amounts of cocaine. Alfonso TREJO (hereinafter referred to as "TREJO") has been identified as a member of the VALDEZ DTO. Agents have determined that VALDEZ and other members of the VALDEZ DTO conduct their narcotics trafficking activities at Danny's Sports Bar, which is a business licensed by the State of Texas to sell alcoholic beverages and is located in Edinburg, Texas. The VALDEZ DTO utilizes said location to sell cocaine to the bar's patrons and others on a daily basis. The investigation has revealed that the VALDEZ DTO is law enforcement savvy and is very particular as to who they sell cocaine to. Agents learned through their investigation that surveillance cameras are installed within Danny's Sports Bar to detect law enforcement. Agents also learned that the VALDEZ DTO utilizes scouts to walk around the Danny's Sports Bar parking lot in attempt to detect law enforcement activity. As detailed herein, agents have seized a total of 263.9 grams of cocaine from VALDEZ DTO members.

On May 30, 2018, agents met with a confidential source (hereinafter referred to as "CS"), who has provided reliable information and has been found to be credible in the past, regarding the drug activities of the VALDEZ DTO. The CS told agents that VALDEZ, a suspected drug trafficker, sold cocaine with the assistance of VALDEZ DTO members at several bars, including

Danny's Sports Bar, in Edinburg, Texas. The CS also advised that VALDEZ was capable of supplying up to kilogram quantities of cocaine.

On June 5, 2018, the CS placed a recorded phone call to VALDEZ, regarding the purchase of cocaine. VALDEZ instructed the CS to go to Danny's Sports Bar and meet with a member of the VALDEZ DTO. The CS went to the aforementioned location and paid a VALDEZ DTO member approximately \$200.00 United States currency (USC). In return, the VALDEZ DTO member gave the CS approximately 6.6 grams of cocaine. The CS was searched for any illicit contraband, prior to and after the purchase, with negative findings for bulk currency and illicit narcotics. The CS' controlling agents took possession of the 6.6 grams of cocaine, processing the cocaine as per DEA policy and procedures.

On June 6, 2018, the CS placed a recorded phone call to VALDEZ, requesting to purchase five hundred dollars' worth of cocaine. The CS was instructed by VALDEZ to go to Danny's Sports Bar. Once at location, the CS met with VALDEZ and purchased five hundred dollars' worth of cocaine (18.2 grams) from him (VALDEZ). The CS was searched for any illicit contraband and bulk currency, prior to and after the purchase, with negative findings. The CS' controlling agents took possession of the 18.2 grams of cocaine, processing the cocaine as per DEA policy and procedures.

On June 11, 2018, the CS placed a recorded phone call to VALDEZ, asking to purchase five hundred dollars' worth of cocaine. The CS was instructed by VALDEZ to go to Danny's Sports Bar. Once at that location, the CS met with VALDEZ and purchased five hundred dollars' worth of cocaine (18.1 grams) from him (VALDEZ). The CS was searched for any illicit contraband and bulk currency, prior to and after the purchase, with negative findings. The

CS' controlling agents took possession of the 18.1 grams of cocaine, processing the cocaine as per DEA policy and procedures.

On June 27, 2018, agents met with another confidential source (hereinafter referred to as "CS #2"), who has provided reliable information and has been found to be credible in the past. The CS #2 was instructed to contact VALDEZ, but was unsuccessful. The CS then contacted a member of the VALDEZ DTO, in an effort to purchase cocaine. A VALDEZ DTO member instructed CS #2 to go to Danny's Sports Bar and that "PANCHO" would be working. The CS went to location and purchased forty dollars' worth of suspected cocaine (1 gram) from PANCHO, who was later identified as TREJO, a member of the VALDEZ DTO. The CS was searched for any illicit contraband and bulk currency, prior to and after the purchase, with negative findings. The CS' controlling agents took possession of the 1 gram of cocaine, processing the cocaine as per DEA policy and procedures.

On July 5, 2018, the CS placed a recorded phone call to VALDEZ, requesting to purchase five hundred dollars' worth of cocaine. The CS was instructed by agents to tell VALDEZ that he/she was going to send his/her friend, who was an agent acting in an undercover capacity (hereinafter referred to as the "UC"). The CS was instructed by VALDEZ to send his/her friend (UC) to Danny's Sports Bar. Once at that location, the UC met with a member of the VALDEZ DTO and purchased five hundred dollars' worth of cocaine (18.3 grams). Agents took possession of the 18.3 grams of cocaine, processing the cocaine as per DEA policy and procedures.

On July 12, 2018, the CS placed a recorded phone call to VALDEZ, requesting to purchase five hundred dollars' worth of cocaine. VALDEZ told the CS to send his/her friend (UC) to Danny's Sports Bar. Once at that location, the UC met with VALDEZ, and purchased

five hundred dollars' worth of cocaine (18.2 grams). Agents took possession of the 18.2 grams of cocaine, processing the cocaine as per DEA policy and procedures.

On August 8, 2018, an Edinburg Police Officer assigned this investigation as a DEA TFO conducted surveillance outside of Danny's Sports Bar. As during numerous surveillances outside of Danny's Sports Bar since June 2018, the DEA TFO observed individual(s) believed to be scouts for the VALDEZ DTO in the vicinity of said location. The DEA TFO also observed a high-volume of vehicles arriving for a brief time at Danny's Sports Bar. In the DEA TFO'S experience as an Edinburg Police Officer and as a DEA TFO, the activity observed at Danny's Sports Bar is conducive with street-level narcotics distribution.

On August 9, 2018, the CS placed a phone call to VALDEZ. During the call, VALDEZ told the CS that he (VALDEZ) had not been answering his phone because "things were hot". Agents believe VALDEZ was referring to law enforcement action in the area. During the call, VALDEZ confirmed that the price for 500 grams (1/2 kilogram) of cocaine was \$11,000.00 (USC). VALDEZ agreed to sell 500 grams of cocaine to the CS on August 10, 2018.

On August 10, 2018, a DEA UC placed a recorded phone call to VALDEZ. During the call, the UC asked VALDEZ for half a kilogram of cocaine. VALDEZ agreed and told the UC that he would call the UC back at a later time. On August 10, 2018, U.S. Magistrate Peter E. Ormsby signed Search and Seizure Warrants for Danny's Bar, located at 1202 E. University Dr. Edinburg, Texas and for VALDEZ'S residence in Edinburg, Texas.

On August 17, 2018, agents executed the Search and Seizure Warrant for Danny's Bar. During execution of the search at said location, agents encountered TREJO, who had approximately 29 grams of suspected cocaine on his person. During a consensual search of TREJO's vehicle, agents found an additional 147.9 grams of suspected cocaine. Under rights

advisement and waiver, TREJO admitted that VALDEZ pays him approximately \$200.00 (USC) a day to sell cocaine.

On the same date, agents executed the Search and Seizure Warrant for VALDEZ'S residence in Edinburg, Texas. During the search, agents encountered VALDEZ and placed him under arrest. Agents read VALDEZ his Miranda Warnings which he understood and invoked his rights.